RESEARCH

Knight Frank

FOCUS ON: TOTTENHAM HALE

2019

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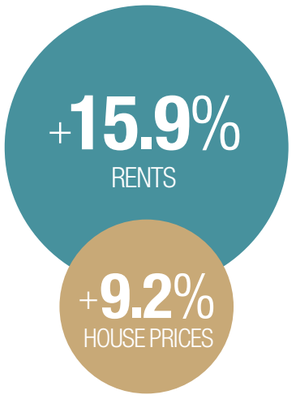
FIGURE 1
Forecasts, Greater London 2019-2023



Source: Knight Frank Research

Note: Price forecasts are for existing homes. Property values in the new-build market may perform differently.

A central theme of London Mayor Sadiq Khan's strategy to ease the capital's housing shortage is to "intensify" the use of land close to existing or planned tube and rail connections by building thousands of new homes.

The strategy, also encouraged by the previous administration, has underpinned a wave of large-scale regeneration projects both established and nearing fruition in locations including King's Cross, Victoria and Battersea.

Tottenham Hale, already a key transport hub, is one of the first locations in the next phase of this strategy. Plans for redevelopment have been accelerated by Tottenham Hale's selection as a key interchange on the proposed north to south Crossrail 2 route.

As of the first quarter of 2019, almost 40 large residential developments of at least 50 private units have approval within 3 kilometres of Tottenham Hale station compromising more than 10,000 new homes, to be delivered over the next decade. Significant commercial regeneration is also underway, and a £1 billion redevelopment of Tottenham Hotspur's football stadium opened in Spring 2019.

The new housing and amenity will cater to the growing population of the borough of Haringey, which is set to expand 7% in the coming ten years, according to official forecasts.

This report is intended to assist decision making by prospective house purchasers and developers looking to invest in land. It examines local market dynamics, including affordability compared with nearby and similarly well-connected locations, the depth of the rental market, Tottenham Hale's position amid London's changing infrastructure landscape and its expanding housing supply.

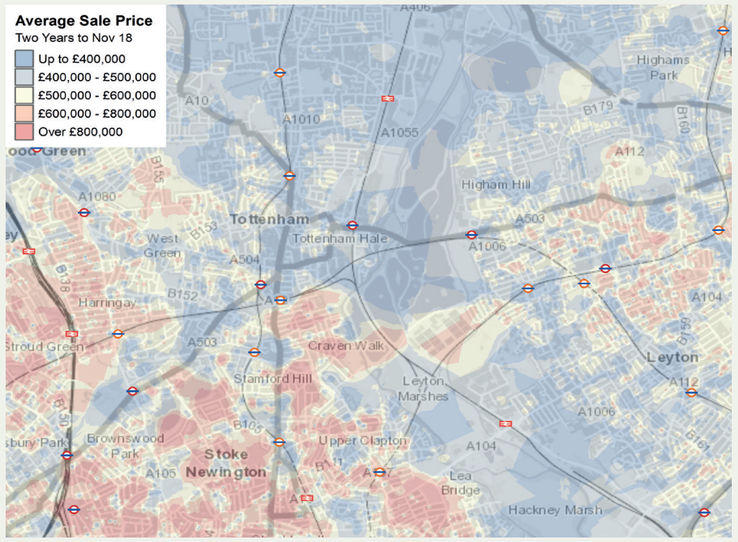
PRICES & AFFORDABILITY:

House prices in Tottenham Hale have climbed 19% since 2016, outperforming the wider London market, according to analysis of Land Registry data. Despite this growth, the area performs well in terms of affordability compared to locations both in the immediate vicinity (fig 3) and compared with other stations along the Victoria Line.

The average price of a home in Tottenham Hale is £405,162, the least expensive of all stations along the line that runs from Walthamstow Central, through Oxford Circus, to Brixton in the south (fig 2). The area also scores favourably when compared with other locations a comparable distance from central London. A breakdown of property transactions within 750 meters of the 147 zone 3 stations during Q3 2018 indicates 80% of stations have higher average sale prices than Tottenham Hale.

Prime monthly asking rents for a two bedroom flat in Tottenham Hale average £1,650, according to a study of the top 25% of listings by value. Analysis of the rental market shows the average two bedroom apartment spends just 3.6 weeks on the market before being let, compared to 5.8 weeks in Greater London. The time on the market drops to three weeks within 750 meters of Tottenham Hale station, highlighting the importance of access to transport links to tenants.

FIGURE 3
Average house prices Resales market



Source: Land Registry

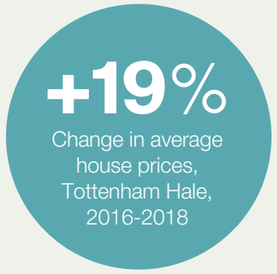
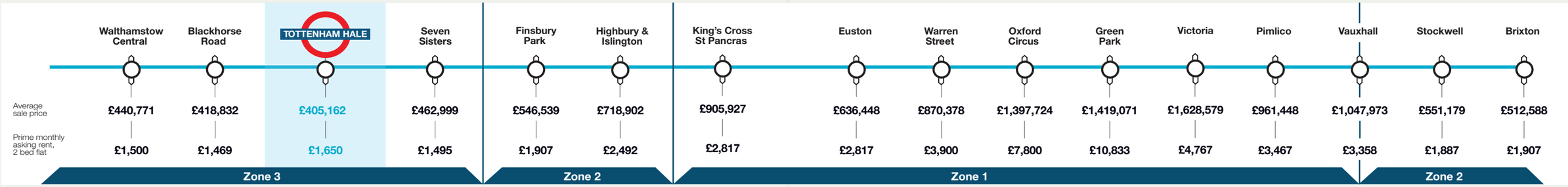


FIGURE 4
Average time spent on the market, rental properties

Source: Rightmove

FIGURE 2
House prices and rents on the Victoria Line Year to December 2018



CONNECTIVITY

Much of Tottenham Hale already carries Transport for London's highest rating for transport accessibility (fig 5). The station is connected to central London via the Victoria Line and Stansted Express trains run to the airport every 15 minutes. Stansted airport is just 37 minutes away via train, and both Liverpool Street and Oxford Circus can be reached in about fifteen minutes.

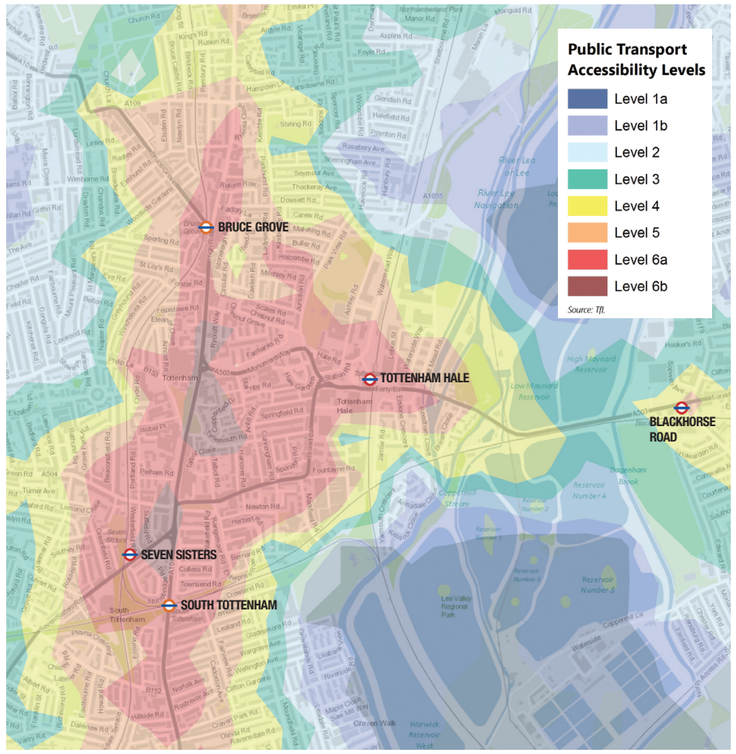
The area's connectivity is to be augmented further if the proposed north to south Crossrail 2 route is approved. The Mayor of London has submitted a strategic business case to government for the project, which is anticipated to be operational by 2033. Developers in April began paying the new Community Infrastructure Levy 2 in order to assist in funding the project.

Crossrail 1, the east to west connection now known as the Elizabeth Line, is scheduled to open in 2020. Property values within a ten minute walk of stations along the line have outperformed their local markets by 4% since the project was given Royal Assent in 2008.

4%

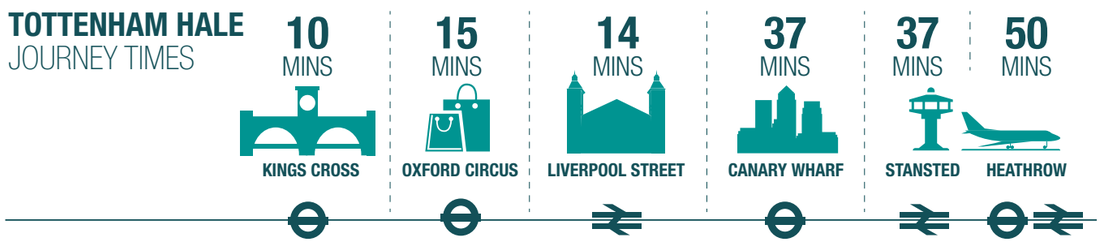
Total average outperformance of property prices within a ten minute walk of Elizabeth Line (Crossrail 1) stations since the project was approved in 2008.

FIGURE 5
Public transport accessibility map*



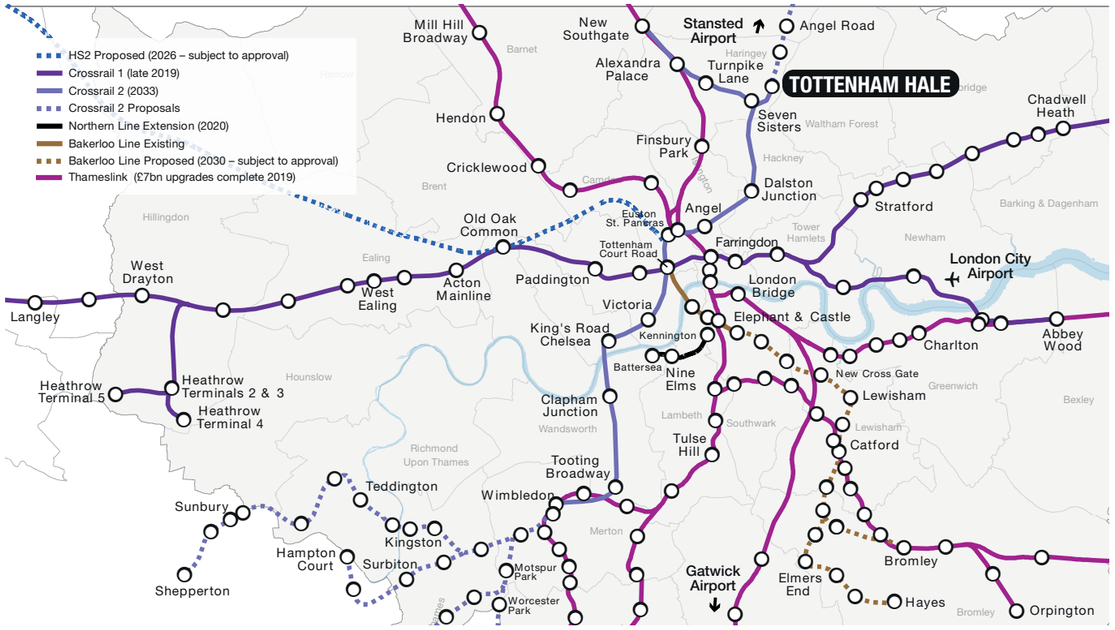
Source: TFL. * Each area is graded between 0 and 6b, where a score of 0 is very poor access to public transport, and 6b is excellent access to public transport.

FIGURE 6
Travel times



Source: TFL

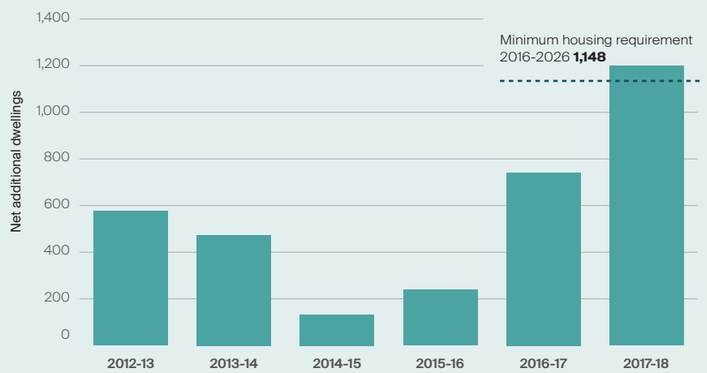
FIGURE 7
London transport upgrades planned and in progress



HOUSING SUPPLY

Delivery of housing in Haringey has picked up from a low of just 133 additional dwellings in 2014-15.

FIGURE 8
Housing Supply, Haringey



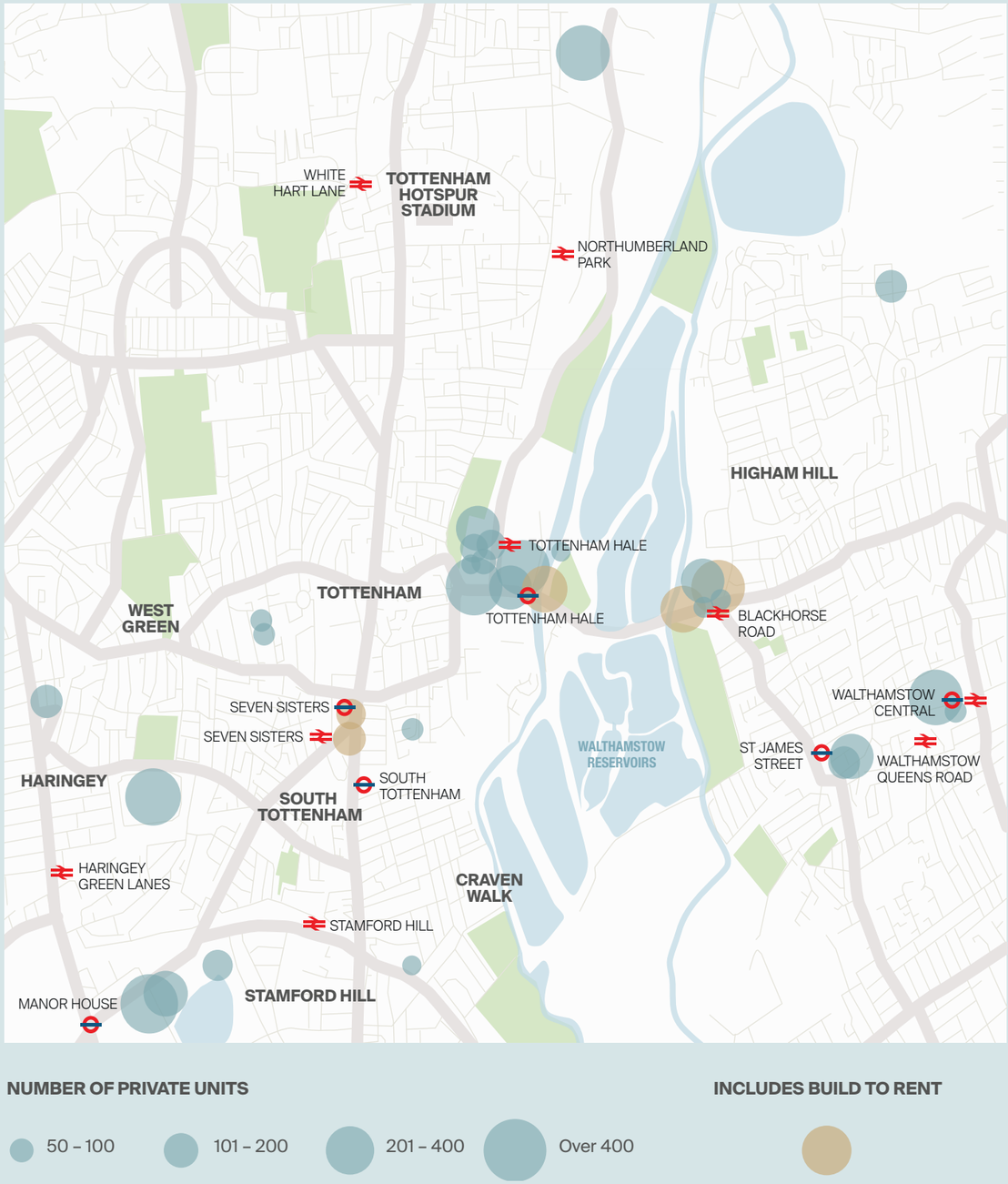
Source: MHCLG

Tottenham Hale sits in the Lee Valley Opportunity Area which itself occupies a strategic position in the London-Stansted-Cambridge-Peterborough growth corridor, according to the draft London Plan. Tens of thousands of homes will be built in the Lee Valley over the coming decade and beyond as upgrades to infrastructure underpin regeneration.

Annual housing supply in Haringey has risen steadily from a low of 133 in 2014-15 to 1,200 in 2017-18. The borough needs a minimum of 1,148 additional homes every year to meet basic housing requirements, according to official estimates of housing need.

The area around Tottenham Hale station is to become a focal point for new residential development. Almost 40 large projects have been approved within 3 kilometres of Tottenham Hale station, compromising more than 10,000 private units, to be delivered over the next decade.

FIGURE 9
Development pipeline Schemes of 50+ private units within 3km of Tottenham Hale Station



Source: Molior

DEMAND DRIVERS

Demand for housing in Tottenham Hale is likely to be underpinned by more than just its relative affordability and high levels of connectivity. Easy access to high-quality education will also be a factor. Haringey has 12 primary schools and six secondary schools rated outstanding by Ofsted, the schools watchdog.

London's world-class universities, including University College London, London School of Economics and King's College are all between 20 and 35 minutes away by tube.

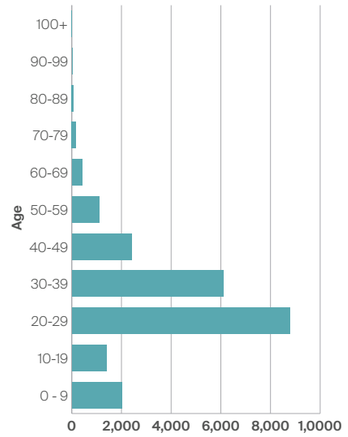
In addition, the population of Haringey is set to grow by 7% over the coming decade, in line with population projections for Greater London. As a result of the factors outlined in this report, many young people are migrating to the borough, according to official figures. Some 8,771 people aged 20-29 moved to the borough during 2017, making them the largest cohort. More than 6,000 people aged 30-39 moved to the borough during the same year.

7%
TEN YEAR POPULATION GROWTH FORECAST, HARINGEY

FIGURE 10
Office for Standards in Education ratings in Haringey

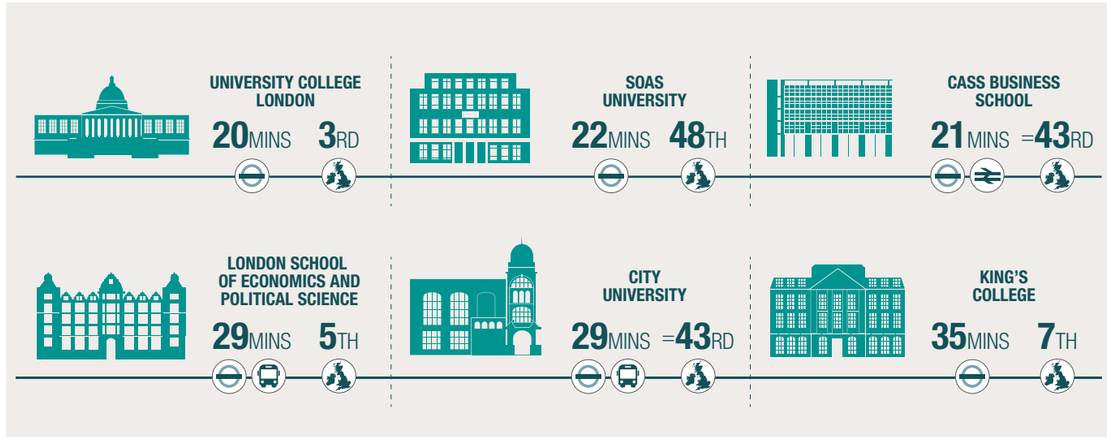
Source: Ofsted

FIGURE 11
Who moved to Haringey? 2017



Source: ONS

FIGURE 12
Travel times from Tottenham Hale to universities with 2019 UK ranking



Source: TFL, Times Higher Education

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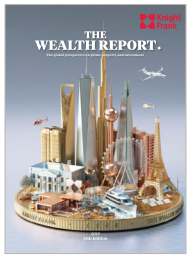

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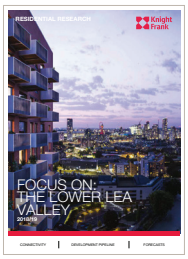

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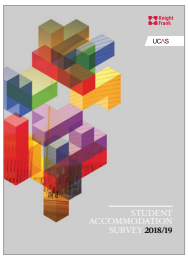

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"PLANS FOR REDEVELOPMENT HAVE BEEN ACCELERATED BY TOTTENHAM HALE'S SELECTION AS A KEY INTERCHANGE ON THE PROPOSED NORTH TO SOUTH CROSSRAIL 2 ROUTE."

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If you would like further insight into residential markets please get in touch.

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